



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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January 3, 1996

James Cooper
Minerals Section Manager
School Institutional Trust Lands Administration
355 West North Temple
3 Triad, Suite 400
Salt Lake City, Utah 84180

Re: Reclamation Surety, Cotter Corp., Papoose Limestone Mine, M/037/084 (ML 45609), San Juan County, Utah

Dear Mr. Cooper:

The Division has received a copy of John Blake's December 14, 1995, letter to Cotter Corp. in response to their request for a reduction in the surety bond amount. The Division has no concerns with the proposed bond reduction from \$100,000 to \$54,000. The \$54,000 amount is still in excess of the Division's \$47,600 reclamation cost estimate (year 2000 dollars) for this mine site. Please provide our office with a copy of the surety rider or new surety when it is received by your office.

We respectfully request that your office agree to withhold releasing at least \$47,600 of the posted reclamation surety without our prior written concurrence. This will allow us the opportunity to confirm that the Utah Mined Land Reclamation Act's reclamation performance standards have been satisfied, before the required surety is released. The Division reserves the right to revise the reclamation surety amount as future circumstances warrant appropriate adjustments. Please acknowledge your acceptance by having the appropriate administrative signature placed in the space provided at the end of this document. Once signed, please keep the original for your records and return a photo copy to us and Cotter Corporation.

Thank you for your cooperation and assistance in this regard. If you have any questions or concerns with this request, please contact me or Tony Gallegos of my staff at your earliest convenience.

Sincerely,

D. Wayne Hedberg
Permit Supervisor
Minerals Reclamation Program

So agreed this _____ day of January 1996.

Authorized by: _____ Position: _____

School and Institutional Trust Lands Administration

